



SCHOOL for ADVANCED RESEARCH
Finance Committee
Friday, August 3, 2018 at 9:30am
Eric S. Dobkin Boardroom

Agenda

- I. Welcome and Quorum Call– Doug Nelson, Chair
- II. Approval of May 1, 2018 Finance Committee minutes (attached)
- III. Review SAR investment performance – REDW
 - Q2 Aggregate
 - Q2 Market
 - Q2 Protective
 - FY 2017 & 2018 Nacubo
- IV. Update on Sustainability Progress
- V. Review FY18 (ending June 30) financial statements
- VI. Walk Ons
- VII. Next Meeting: Tuesday, October 30, 2018 at 2:00pm
- VIII. Adjournment

SCHOOL for ADVANCED RESEARCH

Finance Committee

May 1, 2018 2:00 pm

SAR Reception Center Meeting

Minutes

Members in attendance

Doug Nelson, Chair (via phone)

Nancy Bern

Elizabeth Roghair

Greg Smith (via phone)

Lynne Withey (via phone)

Guests

Joe Colvin

Paul Madrid, Senior Investment Manager, REDW Stanley Financial Advisors, LLC (via phone)

Daniel Yu, REDW Stanley Financial Advisors, LLC (via phone)

Members Not in Attendance

Don Lamm

Staff in Attendance

Michael Brown, President

Sharon Tison, VP for Administration and Finance

Laura Sullivan, Dir. of Development

Suzanne Grayson, Executive Assistant

- I. Welcome and Quorum Call– Doug Nelson, Chair
Doug welcomed the committee
- II. Approval of February 23, 2018 Finance Committee minutes
Doug asked for a motion to approve the Feb 23 minutes. Moved by Nancy Bern and seconded by Michael Brown, the minutes were approved as presented.
- III. Review SAR investment performance – REDW
Paul to review the “Market View” newsletter. SAR aggregate portfolio includes protective, market and hedge fund accounts. US Equities make up 24.9% of the portfolio. Paul stated the Real Estate Investment Trust (REIT) is down about 10%, but expects a positive investment going forward. Bonds are underperforming, but rates are increasing. Paul reviewed the target allocation for market assets. Daniel Yu gave an update on the hedge funds, stating there was a fee remit from Canyon as well as Goldentree for audit fees. Allocation for Goldentree is \$1.2MM, with 40% coming to SAR in 2018, with no indication on the liquidation of the rest. Since high yields are down, Daniel suggests a highly managed fund on the fixed income. He also suggests some high tech investments. Fixed income is short duration, as portfolio doesn’t hold long term bonds.
- IV. Review FY18 Q3 financial statements
Sharon stated we are on target with a few divisions have underspent. Business admin budget is higher than 75% as SAR needs to upgrade payroll system, as they are in the beginning of migration to the new system. She mentioned the idea for the physical plant

to purchase a bobcat for snow removal. Balance sheet shows investments up \$443K. Doug mentioned the market and protective assets allows SAR to be liquid. Michael mentioned that the Press and the in Depth Classes are generating revenue yet the field trips still losing money. Laura agreed to track the benefits of the classes and field trips.

V. Update on Sustainability Plan continued development

Doug stated that Michael's report is included in the Finance committee packet. Doug said the steps include determining the overall cost of the project, analyze if SAR can raise the money and determine what the revenue impact would be; ie ROI of this multi-million dollar project. Michael also like to explore the option of making our current programs more dynamic. Doug asked Michael to looks at a third scenario between the two.

VI. Update on SAR Retirement Plan administrative changes

Doug wants to dedicate the October 30, 2018 meeting to this discussion. Doug reminded the members that the Finance committee needs a vice chair and will report back in a month.

VII. Walk Ons

Doug asked if there was any other business. Sharon stated the first draft of the budget will not be ready by June 30, due to the IARC 40th anniversary fundraiser on June 22, but a draft will be ready by August 3.

Doug adjourned the meeting at 3:27pm

REDW Stanley

Financial Advisors LLC

An SEC Registered Subsidiary of REDW The Rogoff Firm

INTEGRITY COUNTS.

SAR Aggregate Portfolio Review

School for Advanced Research

Prepared By: REDW Stanley Financial Advisors

June 30, 2018

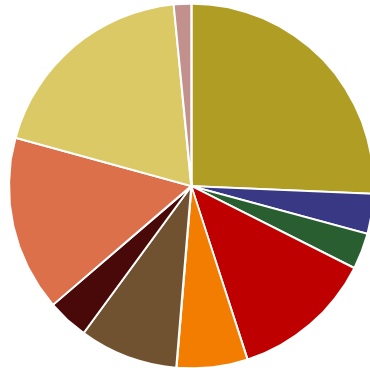
Model vs. Actual Allocation

School for Advanced Research Aggregate

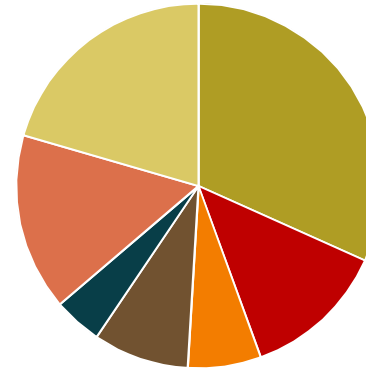
Period Ending: 6/30/2018












Portfolio Inception Date: 9/11/2016

Actual Allocation



Model Allocation



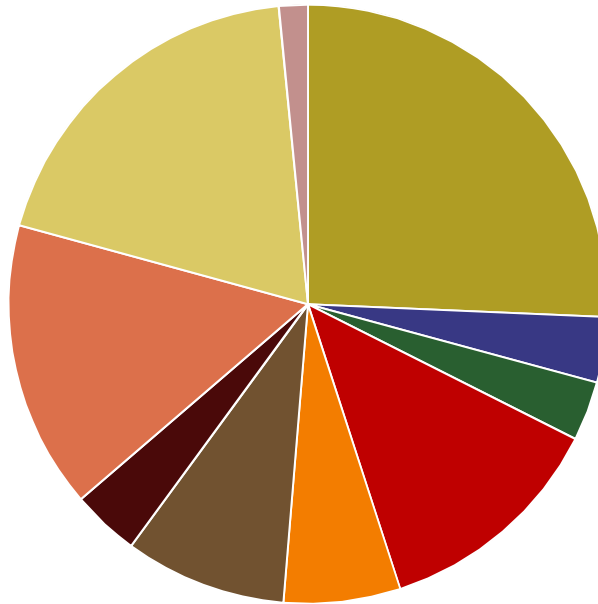
Category		Current Percentage	Current Value	Model Percentage	Model Value	Percent Variance	Dollar Variance
US Equities		25.68%	\$6,747,682.65	31.70%	\$8,329,426.51	6.02%	\$1,581,743.86
Large Cap		3.54%	\$929,661.34	0.00%	\$0.00	(3.54%)	(\$929,661.34)
Mid/Small Cap		3.21%	\$843,795.16	0.00%	\$0.00	(3.21%)	(\$843,795.16)
International Equities		12.58%	\$3,306,382.92	12.75%	\$3,350,163.66	0.17%	\$43,780.74
Emerging Markets		6.30%	\$1,655,115.20	6.50%	\$1,707,926.57	0.20%	\$52,811.37
Real Estate Investment Trust		8.75%	\$2,297,948.85	8.50%	\$2,233,442.44	(0.25%)	(\$64,506.41)
Alternative Investments		3.65%	\$959,898.73	0.00%	\$0.00	(3.65%)	(\$959,898.73)
High Yield Bond		0.00%	\$0.00	4.30%	\$1,129,859.12	4.30%	\$1,129,859.12
Intermediate Term Bonds		15.54%	\$4,084,552.34	15.75%	\$4,138,437.46	0.21%	\$53,885.12
Short Term Bonds		19.19%	\$5,041,025.55	20.50%	\$5,386,537.65	1.31%	\$345,512.10
Cash Equivalents		1.56%	\$409,730.67	0.00%	\$0.00	(1.56%)	(\$409,730.67)
TOTAL			\$26,275,793.41		\$26,275,793.41		

Allocation by Category

School for Advanced Research Aggregate

Period Ending: 6/30/2018

Portfolio Inception Date: 9/11/2016



Weight Description

Current Value

Weight	Description	Current Value
100.0%	Portfolio Total	\$26,275,793.41
25.7%	US Equities	\$6,747,682.65
3.5%	Large Cap	\$929,661.34
3.2%	Mid/Small Cap	\$843,795.16
12.6%	International Equities	\$3,306,382.92
6.3%	Emerging Markets	\$1,655,115.20
8.7%	Real Estate Investment Trust	\$2,297,948.85
3.7%	Alternative Investments	\$959,898.73
15.5%	Intermediate Term Bonds	\$4,084,552.34
19.2%	Short Term Bonds	\$5,041,025.55

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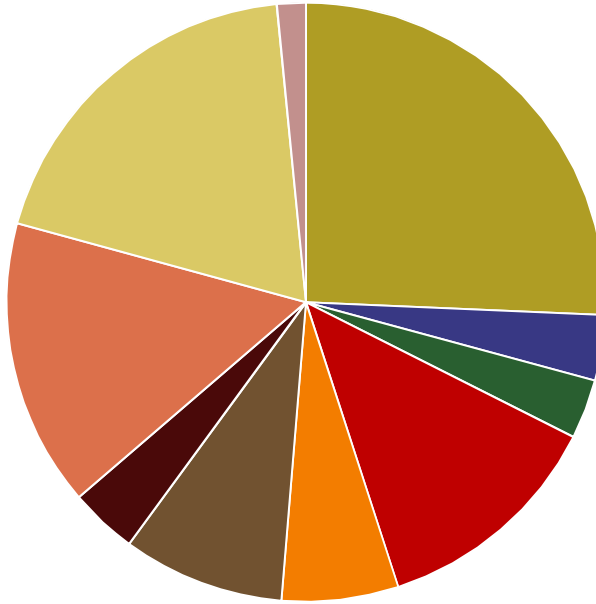
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Allocation by Category

School for Advanced Research Aggregate

Period Ending: 6/30/2018

Portfolio Inception Date: 9/11/2016



Weight	Description	Current Value
1.6%	Cash Equivalents	\$409,730.67

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Portfolio Holdings

School for Advanced Research Aggregate

Period Ending: 6/30/2018

Portfolio Inception Date: 9/11/2016

Weight	Symbol	Description	Quantity	Price	Current Value
100.0%	Portfolio Total				\$26,275,793.41
25.7%	US Equities				\$6,747,682.65
25.7%	DFOFX	DFA U.S. Core Equity 1	289,351.743	\$23.32	\$6,747,682.65
3.5%	Large Cap				\$929,661.34
3.5%	DFLVX	DFA U.S. Large Cap Value	24,477.655	\$37.98	\$929,661.34
3.2%	Mid/Small Cap				\$843,795.16
3.2%	DFSVX	DFA US Small Cap Value	21,190.235	\$39.82	\$843,795.16
12.6%	International Equities				\$3,306,382.92
8.5%	DFIEX	DFA Intl Core Equity	160,826.543	\$13.94	\$2,241,922.01
2.0%	DFIVX	DFA Intl Value Portfolio	28,004.034	\$19.20	\$537,677.45
2.0%	DISVX	DFA Intl Small Cap Value	24,309.343	\$21.67	\$526,783.46
6.3%	Emerging Markets				\$1,655,115.20
0.9%	DEMSX	DFA Emerging Mkts Small Cap	11,235.917	\$21.86	\$245,617.15
4.1%	DFCEX	DFA Emerging Mkts Core Equity	50,452.095	\$21.17	\$1,068,070.85
1.3%	DFEVX	DFA Emerging Mkts Value	11,781.477	\$28.98	\$341,427.20
8.7%	Real Estate Investment Trust				\$2,297,948.85
8.7%	VNQ	Vanguard REIT ETF	28,213.000	\$81.45	\$2,297,948.85
3.7%	Alternative Investments				\$959,898.73
0.0%	GT SP-F MGMT	GoldenTree Class SP-F MGMT Series 26	7.870	\$418.06	\$3,290.08
0.0%	GT SP-F MGMT	GoldenTree Class SP-F MGMT Series 42	3.534	\$407.59	\$1,440.25
0.0%	GT SP-F MGMT	GoldenTree Class SP-F MGMT Series 54	5.016	\$407.68	\$2,044.89
0.4%	GTSP1F26	GoldenTree SP1-1F Series 26	99.118	\$957.36	\$94,890.92

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Portfolio Holdings

School for Advanced Research Aggregate

Period Ending: 6/30/2018

Portfolio Inception Date: 9/11/2016

Weight	Symbol	Description	Quantity	Price	Current Value
0.0%	GTSP1F42	GoldenTree SP1-1F Series 42	13.577	\$957.36	\$12,998.32
0.1%	GTSP1F54	GoldenTree SP1-1F Series 54	19.501	\$957.36	\$18,669.68
0.1%	GTSP5F26	GoldenTree SP1-5F Series 26	15.362	\$1,076.40	\$16,535.55
0.0%	GTSP5F42	GoldenTree SP1-5F Series 42	2.104	\$1,076.40	\$2,265.06
0.0%	GTSP5F54	GoldenTree SP1-5F Series 54	3.022	\$1,076.40	\$3,253.35
0.1%	GTSP6F26	GoldenTree SP6-1F Series 26	56.920	\$358.31	\$20,394.93
0.0%	GTSP6F42	GoldenTree SP6-1F Series 42	15.773	\$358.31	\$5,651.56
0.0%	GTSP6F54	GoldenTree SP6-1F Series 54	22.394	\$358.31	\$8,024.17
1.4%	GTSP8F26	GoldenTree SP8-1F Series 26	100.988	\$3,704.58	\$374,117.84
0.6%	GTSP8F42	GoldenTree SP8-1F Series 42	44.207	\$3,704.58	\$163,769.09
0.9%	GTSP8F54	GoldenTree SP8-1F Series 54	62.775	\$3,704.58	\$232,553.04
15.5%	Intermediate Term Bonds				\$4,084,552.34
8.7%	DFAPX	DFA Investment Grade	218,105.568	\$10.48	\$2,285,746.35
6.8%	DODIX	Dodge & Cox Income Fund	134,540.463	\$13.37	\$1,798,805.99
19.2%	Short Term Bonds				\$5,041,025.55
19.2%	BSV	Vanguard Short Term Bond Index ETF	64,455.000	\$78.21	\$5,041,025.55
1.6%	Cash Equivalents				\$409,730.67
0.4%	CASH	CASH			\$116,222.89
1.1%	SNOXX	Schwab Treasury Money Market			\$293,507.78

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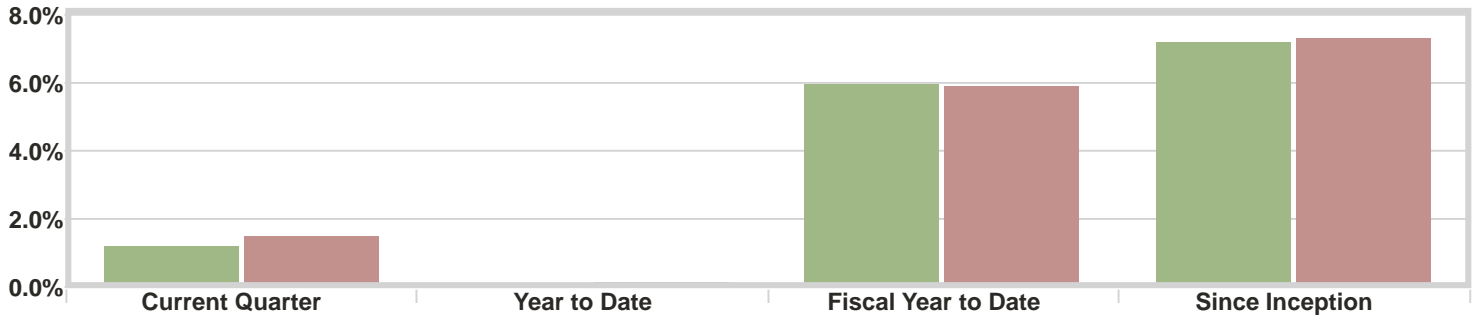
Performance Summary

TWR

Period Ending: 6/30/2018
Portfolio Inception Date: 9/11/2016

School for Advanced Research Aggregate

Portfolio Returns



	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
Your Portfolio	1.2%	0.1%	5.9%	7.2%
SAR Combined Portfolios Benchmark	1.5%	0.1%	5.9%	7.3%

Components Of Change

	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
BEGINNING VALUE	26,159,630.13	26,705,798.25	25,530,755.97	0.00
Net Contributions	(190,003.24)	(440,003.24)	(763,389.47)	23,065,424.90
Capital Appreciation	28,123.76	(365,974.20)	898,210.99	2,441,513.88
Income	146,828.34	215,450.56	515,122.66	858,240.31
Management Fees	(12,058.92)	(24,352.11)	(48,179.56)	(73,660.04)
Other Expenses	143,273.34	184,874.15	143,272.82	(15,725.64)
ENDING VALUE	26,275,793.41	26,275,793.41	26,275,793.41	26,275,793.41
INVESTMENT GAIN	306,166.52	9,998.40	1,508,426.91	3,210,368.51

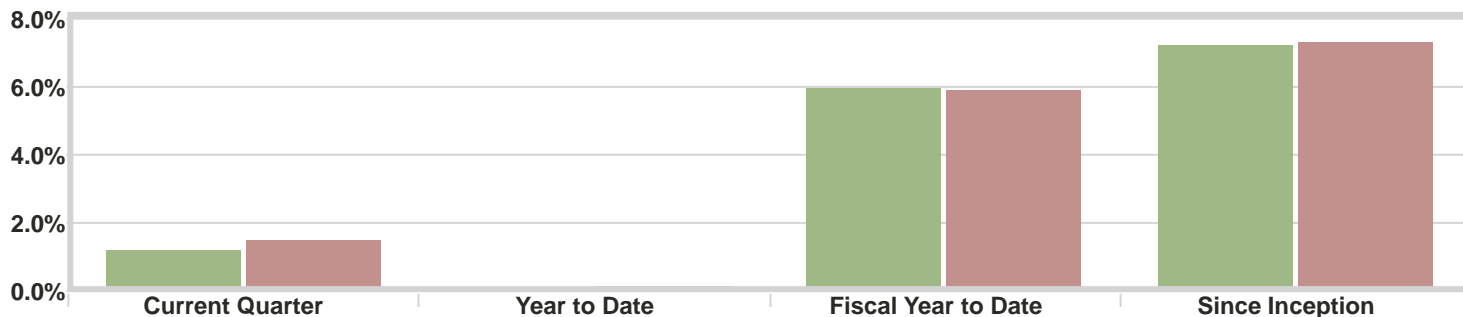
Performance Summary

IRR

Period Ending: 6/30/2018
Portfolio Inception Date: 9/11/2016

School for Advanced Research Aggregate

Portfolio Returns



	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
Your Portfolio	1.2%	0.0%	6.0%	7.2%
SAR Combined Portfolios Benchmark	1.5%	0.1%	5.9%	7.3%

Components Of Change

	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
BEGINNING VALUE	26,159,630.13	26,705,798.25	25,530,755.97	0.00
Net Contributions	(190,003.24)	(440,003.24)	(763,389.47)	23,065,424.90
Capital Appreciation	28,123.76	(365,974.20)	898,210.99	2,441,513.88
Income	146,828.34	215,450.56	515,122.66	858,240.31
Management Fees	(12,058.92)	(24,352.11)	(48,179.56)	(73,660.04)
Other Expenses	143,273.34	184,874.15	143,272.82	(15,725.64)
ENDING VALUE	26,275,793.41	26,275,793.41	26,275,793.41	26,275,793.41
INVESTMENT GAIN	306,166.52	9,998.40	1,508,426.91	3,210,368.51

Asset Class Performance Summary

School for Advanced Research Aggregate

Period Ending: 6/30/2018

Portfolio Inception Date: 9/11/2016

Asset Class Description	Inception Date	Current Value	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
US Equities	10/20/2016	6,747,683	3.57%	2.96%	15.33%	32.78%
Large Cap	9/11/2016	929,661	0.43%	(2.10%)	10.45%	10.19%
Mid/Small Cap	9/11/2016	843,795	7.92%	4.92%	14.76%	36.85%
International Equities	9/11/2016	3,306,383	(2.29%)	(3.46%)	7.86%	19.73%
Emerging Markets	9/11/2016	1,655,115	(9.71%)	(8.12%)	4.54%	17.15%
Real Estate Investment Trust	10/20/2016	2,297,949	9.35%	1.19%	3.31%	6.46%
Alternative Investments	9/11/2016	959,899	(5.42%)	(1.82%)	0.82%	18.53%
Intermediate Term Bonds	9/15/2016	4,084,552	(0.42%)	(2.14%)	(1.58%)	(1.61%)
Short Term Bonds	9/11/2016	5,041,026	0.21%	(0.34%)	(0.37%)	(0.26%)

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Asset Class Performance Summary

School for Advanced Research Aggregate

Period Ending: 6/30/2018

Portfolio Inception Date: 9/11/2016

Asset Class Description	Inception Date	Current Value	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
Cash Equivalents	9/11/2016	409,731	41.17%	39.57%	14.26%	(13.32%)
Total Portfolio (Net of Fees)	9/11/2016	26,275,793	1.18%	0.04%	5.98%	13.42%
SAR Combined Portfolios Benchmark			1.50%	0.14%	5.92%	13.55%
Russell 3000 TR USD			3.89%	3.22%	14.78%	30.42%
Russell 1000 Value TR USD			1.18%	(1.69%)	6.77%	19.05%
Russell 2000 TR USD			7.75%	7.66%	17.57%	35.28%
MSCI EAFE USD			(1.24%)	(2.75%)	6.84%	21.67%
S&P/IFCI Composite TR USD			(7.49%)	(6.31%)	8.80%	24.60%
FTSE NAREIT Equity REITs TR			10.04%	1.02%	3.36%	1.93%
BarCap US Corporate High Yield TR USD			1.03%	0.16%	2.62%	10.03%
BBgBarc US Agg Interm TR USD			0.09%	(0.97%)	(0.32%)	(0.68%)
BarCap US Govt/Credit A+ 1-5 Yr TR USD			0.16%	(0.30%)	(0.27%)	(0.25%)
IA SBBI US 30 Day TBill TR USD			0.42%	0.76%	1.27%	1.63%

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All returns net of fees automatically deducted from account. Not considered are fees submitted by cash, check or credit card.

REDW Stanley

Financial Advisors LLC

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INTEGRITY COUNTS.

SAR Market Assets Portfolio Review

School for Advanced Research

PO Box 2188

Santa Fe, NM 87504

Prepared By: REDW Stanley Financial Advisors

June 30, 2018

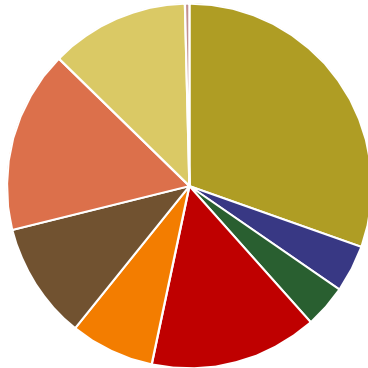
Model vs. Actual Allocation

School for Advanced Research Corp Acct - Market Assets

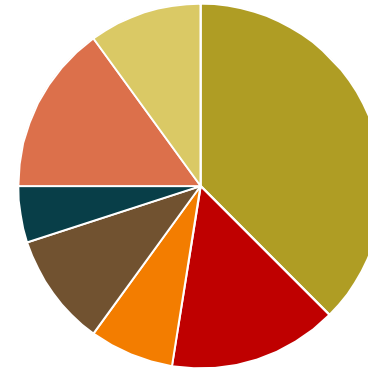
Period Ending: 6/30/2018











Portfolio Inception Date: 9/11/2016

Actual Allocation



Model Allocation



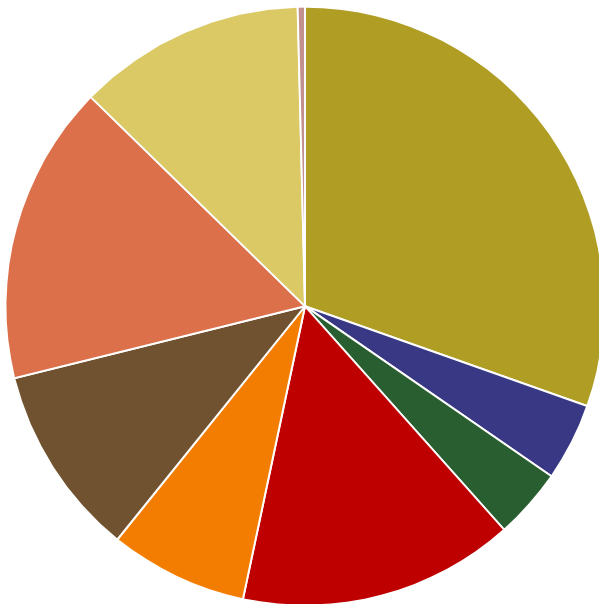
Category		Current Percentage	Current Value	Model Percentage	Model Value	Percent Variance	Dollar Variance
US Equities		30.42%	\$6,747,682.65	37.50%	\$8,318,616.19	7.08%	\$1,570,933.54
Large Cap		4.19%	\$929,661.34	0.00%	\$0.00	(4.19%)	(\$929,661.34)
Mid/Small Cap		3.80%	\$843,795.16	0.00%	\$0.00	(3.80%)	(\$843,795.16)
International Equities		14.91%	\$3,306,382.92	15.00%	\$3,327,446.48	0.09%	\$21,063.56
Emerging Markets		7.46%	\$1,655,115.20	7.50%	\$1,663,723.24	0.04%	\$8,608.04
Real Estate Investment Trust		10.36%	\$2,297,948.85	10.00%	\$2,218,297.65	(0.36%)	(\$79,651.20)
High Yield Bond		0.00%	\$0.00	5.00%	\$1,109,148.83	5.00%	\$1,109,148.83
Intermediate Term Bonds		16.17%	\$3,586,695.76	15.00%	\$3,327,446.48	(1.17%)	(\$259,249.29)
Short Term Bonds		12.30%	\$2,728,277.64	10.00%	\$2,218,297.65	(2.30%)	(\$509,979.99)
Cash Equivalents		0.39%	\$87,416.98	0.00%	\$0.00	(0.39%)	(\$87,416.98)
TOTAL			\$22,182,976.50		\$22,182,976.50		

Allocation by Category

School for Advanced Research Corp Acct - Market Assets

Period Ending: 6/30/2018

Portfolio Inception Date: 9/11/2016



Weight	Description	Current Value
100.0%	Portfolio Total	\$22,182,976.50
30.4%	US Equities	\$6,747,682.65
4.2%	Large Cap	\$929,661.34
3.8%	Mid/Small Cap	\$843,795.16
14.9%	International Equities	\$3,306,382.92
7.5%	Emerging Markets	\$1,655,115.20
10.4%	Real Estate Investment Trust	\$2,297,948.85
16.2%	Intermediate Term Bonds	\$3,586,695.76
12.3%	Short Term Bonds	\$2,728,277.64
0.4%	Cash Equivalents	\$87,416.98

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Portfolio Holdings

School for Advanced Research Corp Acct - Market Assets

Period Ending: 6/30/2018
Portfolio Inception Date: 9/11/2016

Weight	Symbol	Description	Quantity	Price	Current Value
100.0%	Portfolio Total				\$22,182,976.50
30.4%	US Equities				\$6,747,682.65
30.4%	DFOFX	DFA U.S. Core Equity 1	289,351.743	\$23.32	\$6,747,682.65
4.2%	Large Cap				\$929,661.34
4.2%	DFLVX	DFA U.S. Large Cap Value	24,477.655	\$37.98	\$929,661.34
3.8%	Mid/Small Cap				\$843,795.16
3.8%	DFSVX	DFA US Small Cap Value	21,190.235	\$39.82	\$843,795.16
14.9%	International Equities				\$3,306,382.92
10.1%	DFIEX	DFA Intl Core Equity	160,826.543	\$13.94	\$2,241,922.01
2.4%	DFIVX	DFA Intl Value Portfolio	28,004.034	\$19.20	\$537,677.45
2.4%	DISVX	DFA Intl Small Cap Value	24,309.343	\$21.67	\$526,783.46
7.5%	Emerging Markets				\$1,655,115.20
1.1%	DEMSX	DFA Emerging Mkts Small Cap	11,235.917	\$21.86	\$245,617.15
4.8%	DFCEX	DFA Emerging Mkts Core Equity	50,452.095	\$21.17	\$1,068,070.85
1.5%	DFEVX	DFA Emerging Mkts Value	11,781.477	\$28.98	\$341,427.20
10.4%	Real Estate Investment Trust				\$2,297,948.85
10.4%	VNQ	Vanguard REIT ETF	28,213.000	\$81.45	\$2,297,948.85
16.2%	Intermediate Term Bonds				\$3,586,695.76
8.3%	DFAPX	DFA Investment Grade	176,126.942	\$10.48	\$1,845,810.35
7.8%	DODIX	Dodge & Cox Income Fund	130,208.333	\$13.37	\$1,740,885.41

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Portfolio Holdings

School for Advanced Research Corp Acct - Market Assets

Period Ending: 6/30/2018
Portfolio Inception Date: 9/11/2016

Weight	Symbol	Description	Quantity	Price	Current Value
12.3%	Short Term Bonds				\$2,728,277.64
12.3%	BSV	Vanguard Short Term Bond Index ETF	34,884.000	\$78.21	\$2,728,277.64
0.4%	Cash Equivalents				\$87,416.98
0.4%	CASH	CASH			\$87,416.98

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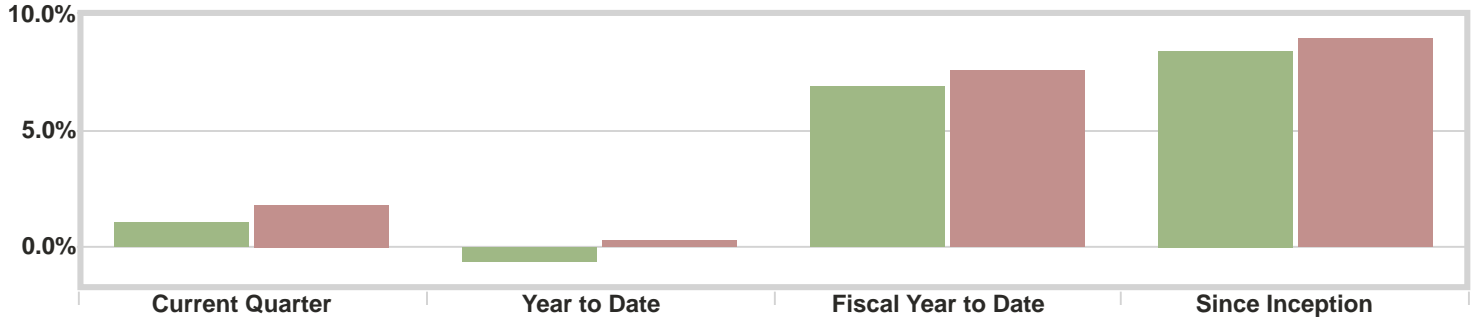
Performance Summary

TWR

Period Ending: 6/30/2018
Portfolio Inception Date: 9/11/2016

School for Advanced Research Corp Acct - Market Assets

Portfolio Returns



	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
Your Portfolio	1.0%	(0.6%)	6.8%	8.4%
SAR Market Assets Benchmark	1.8%	0.2%	7.5%	8.9%

Components Of Change

	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
BEGINNING VALUE	21,815,446.42	22,107,890.55	16,373,589.50	0.00
Net Contributions	153,270.10	212,180.40	4,441,850.24	19,588,295.40
Capital Appreciation	95,383.84	(301,886.16)	961,060.65	1,904,790.94
Income	130,935.06	189,143.82	454,655.67	765,776.67
Management Fees	(12,058.92)	(24,352.11)	(48,179.56)	(73,660.04)
Other Expenses	0.00	0.00	0.00	(2,226.47)
ENDING VALUE	22,182,976.50	22,182,976.50	22,182,976.50	22,182,976.50
INVESTMENT GAIN	214,259.98	(137,094.45)	1,367,536.76	2,594,681.10

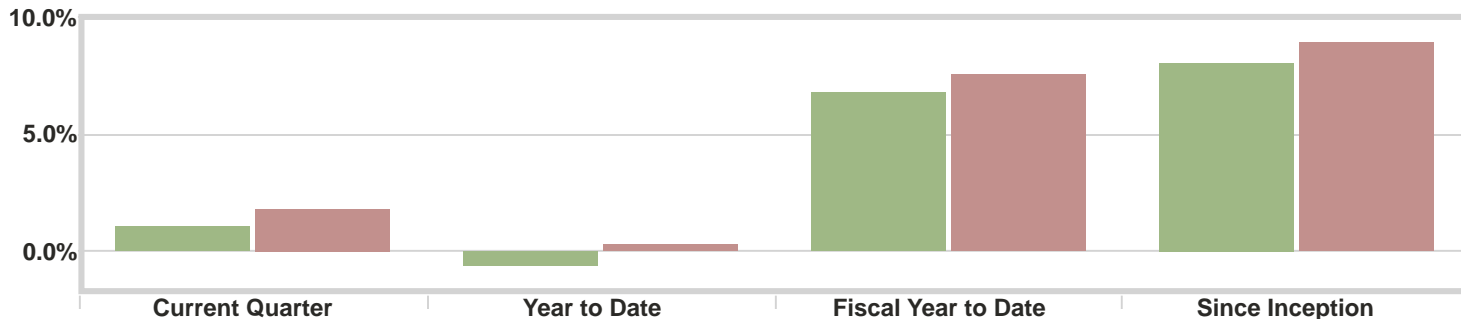
Performance Summary

IRR

Period Ending: 6/30/2018
Portfolio Inception Date: 9/11/2016

School for Advanced Research Corp Acct - Market Assets

Portfolio Returns



	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
Your Portfolio	1.0%	(0.6%)	6.7%	8.1%
SAR Market Assets Benchmark	1.8%	0.2%	7.5%	8.9%

Components Of Change

	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
BEGINNING VALUE	21,815,446.42	22,107,890.55	16,373,589.50	0.00
Net Contributions	153,270.10	212,180.40	4,441,850.24	19,588,295.40
Capital Appreciation	95,383.84	(301,886.16)	961,060.65	1,904,790.94
Income	130,935.06	189,143.82	454,655.67	765,776.67
Management Fees	(12,058.92)	(24,352.11)	(48,179.56)	(73,660.04)
Other Expenses	0.00	0.00	0.00	(2,226.47)
ENDING VALUE	22,182,976.50	22,182,976.50	22,182,976.50	22,182,976.50
INVESTMENT GAIN	214,259.98	(137,094.45)	1,367,536.76	2,594,681.10

Asset Class Performance Summary

School for Advanced Research Corp Acct - Market Assets

Period Ending: 6/30/2018

Portfolio Inception Date: 9/11/2016

Asset Class Description	Inception Date	Current Value	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
US Equities	10/20/2016	6,747,683	3.57%	2.96%	15.33%	32.78%
Large Cap	9/11/2016	929,661	0.43%	(2.10%)	10.45%	10.19%
Mid/Small Cap	9/11/2016	843,795	7.92%	4.92%	14.76%	36.85%
International Equities	9/11/2016	3,306,383	(2.29%)	(3.46%)	7.86%	19.73%
Emerging Markets	9/11/2016	1,655,115	(9.71%)	(8.12%)	4.54%	17.15%
Real Estate Investment Trust	10/20/2016	2,297,949	9.35%	1.19%	3.31%	6.46%
Intermediate Term Bonds	9/15/2016	3,586,696	(0.44%)	(2.12%)	(1.65%)	(1.68%)
Short Term Bonds	9/11/2016	2,728,278	0.23%	(0.29%)	(0.38%)	(0.29%)

Continued on Next Page

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Asset Class Performance Summary

School for Advanced Research Corp Acct - Market Assets

Period Ending: 6/30/2018

Portfolio Inception Date: 9/11/2016

Asset Class Description	Inception Date	Current Value	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
Cash Equivalents	9/11/2016	87,417	(13.46%)	(25.26%)	(17.34%)	(30.38%)
Total Portfolio (Net of Fees)	9/11/2016	22,182,977	0.98%	(0.62%)	6.75%	14.96%
SAR Market Assets Benchmark			1.76%	0.22%	7.51%	16.59%
Russell 3000 TR USD			3.89%	3.22%	14.78%	30.42%
Russell 1000 Value TR USD			1.18%	(1.69%)	6.77%	19.05%
Russell 2000 TR USD			7.75%	7.66%	17.57%	35.28%
MSCI EAFE USD			(1.24%)	(2.75%)	6.84%	21.67%
S&P/IFCI Composite TR USD			(7.49%)	(6.31%)	8.80%	24.60%
FTSE NAREIT Equity REITs TR			10.04%	1.02%	3.36%	1.93%
BarCap US Corporate High Yield TR USD			1.03%	0.16%	2.62%	10.03%
BBgBarc US Agg Interm TR USD			0.09%	(0.97%)	(0.32%)	(0.68%)
BarCap US Govt/Credit A+ 1-5 Yr TR USD			0.16%	(0.30%)	(0.27%)	(0.25%)
IA SBBI US 30 Day TBill TR USD			0.42%	0.76%	1.27%	1.63%

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REDW Stanley

Financial Advisors LLC

An SEC Registered Subsidiary of REDW The Rogoff Firm

INTEGRITY COUNTS.

SAR Protective Assets Portfolio Review

School for Advanced Research

PO Box 2188

Santa Fe, NM 87504

Prepared By: REDW Stanley Financial Advisors

June 30, 2018

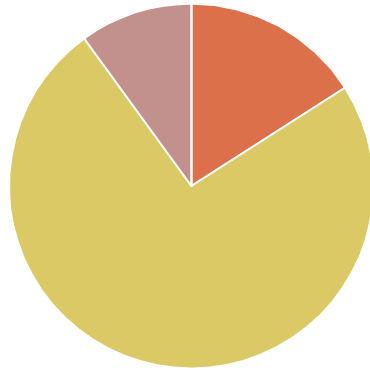
Model vs. Actual Allocation

School for Advanced Research Corp Acct - Protective Assets

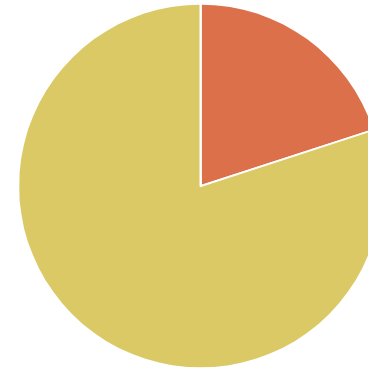
Period Ending: 6/30/2018




Portfolio Inception Date: 10/6/2016

Actual Allocation



Model Allocation



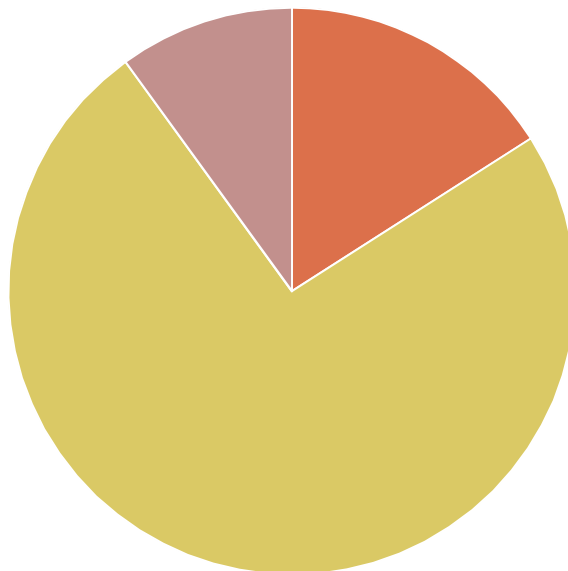
Category		Current Percentage	Current Value	Model Percentage	Model Value	Percent Variance	Dollar Variance
Intermediate Term Bonds		15.94%	\$497,856.58	20.00%	\$624,584.28	4.06%	\$126,727.70
Short Term Bonds		74.06%	\$2,312,747.91	80.00%	\$2,498,337.14	5.94%	\$185,589.23
Cash Equivalents		10.00%	\$312,316.93	0.00%	\$0.00	(10.00%)	(\$312,316.93)
TOTAL			\$3,122,921.42		\$3,122,921.42		

Allocation by Category

School for Advanced Research Corp Acct - Protective Assets

Period Ending: 6/30/2018

Portfolio Inception Date: 10/6/2016



Weight	Description	Current Value
100.0%	Portfolio Total	\$3,122,921.42
15.9%	Intermediate Term Bonds	\$497,856.58
74.1%	Short Term Bonds	\$2,312,747.91
10.0%	Cash Equivalents	\$312,316.93

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Portfolio Holdings

School for Advanced Research Corp Acct - Protective Assets

Period Ending: 6/30/2018
Portfolio Inception Date: 10/6/2016

Weight	Symbol	Description	Quantity	Price	Current Value
100.0%	Portfolio Total				\$3,122,921.42
15.9%	Intermediate Term Bonds				\$497,856.58
14.1%	DFAPX	DFA Investment Grade	41,978.626	\$10.48	\$439,936.00
1.9%	DODIX	Dodge & Cox Income Fund	4,332.130	\$13.37	\$57,920.58
74.1%	Short Term Bonds				\$2,312,747.91
74.1%	BSV	Vanguard Short Term Bond Index ETF	29,571.000	\$78.21	\$2,312,747.91
10.0%	Cash Equivalents				\$312,316.93
0.6%	CASH	CASH			\$18,809.15
9.4%	SNOXX	Schwab Treasury Money Market			\$293,507.78

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Performance Summary

TWR

Period Ending: 6/30/2018
Portfolio Inception Date: 10/6/2016

School for Advanced Research Corp Acct - Protective Assets

Portfolio Returns



	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
Your Portfolio	0.1%	(0.5%)	(0.3%)	(0.2%)
SAR Protective Assets Benchmark	0.2%	(0.3%)	(0.1%)	(0.1%)

Components Of Change

	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
BEGINNING VALUE	3,318,850.38	3,592,710.97	3,196,941.31	0.00
Net Contributions	(200,000.00)	(450,000.00)	(60,100.00)	3,132,168.98
Capital Appreciation	(11,822.24)	(46,096.29)	(74,386.88)	(101,661.20)
Income	15,893.28	26,306.74	60,466.99	92,463.64
Management Fees	0.00	0.00	0.00	0.00
Other Expenses	0.00	0.00	0.00	(50.00)
ENDING VALUE	3,122,921.42	3,122,921.42	3,122,921.42	3,122,921.42
INVESTMENT GAIN	4,071.04	(19,789.55)	(13,919.89)	(9,247.56)

Performance Summary

IRR

Period Ending: 6/30/2018
Portfolio Inception Date: 10/6/2016

School for Advanced Research Corp Acct - Protective Assets

Portfolio Returns



	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
Your Portfolio	0.1%	(0.6%)	(0.4%)	(0.2%)
SAR Protective Assets Benchmark	0.2%	(0.3%)	(0.1%)	(0.1%)

Components Of Change

	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
BEGINNING VALUE	3,318,850.38	3,592,710.97	3,196,941.31	0.00
Net Contributions	(200,000.00)	(450,000.00)	(60,100.00)	3,132,168.98
Capital Appreciation	(11,822.24)	(46,096.29)	(74,386.88)	(101,661.20)
Income	15,893.28	26,306.74	60,466.99	92,463.64
Management Fees	0.00	0.00	0.00	0.00
Other Expenses	0.00	0.00	0.00	(50.00)
ENDING VALUE	3,122,921.42	3,122,921.42	3,122,921.42	3,122,921.42
INVESTMENT GAIN	4,071.04	(19,789.55)	(13,919.89)	(9,247.56)

Asset Class Performance Summary

School for Advanced Research Corp Acct - Protective Assets

Period Ending: 6/30/2018

Portfolio Inception Date: 10/6/2016

Asset Class Description	Inception Date	Current Value	Current Quarter	Year to Date	Fiscal Year to Date	Since Inception
Intermediate Term Bonds	10/24/2016	497,857	(0.28%)	(2.23%)	(1.19%)	(1.14%)
Short Term Bonds	10/24/2016	2,312,748	0.19%	(0.39%)	(0.35%)	(0.21%)
Cash Equivalents	10/6/2016	312,317	0.32%	0.49%	0.92%	1.10%
Total Portfolio (Net of Fees)	10/6/2016	3,122,921	0.13%	(0.59%)	(0.41%)	(0.30%)
SAR Protective Assets Benchmark			0.17%	(0.30%)	(0.10%)	(0.17%)
BBgBarc US Agg Interm TR USD			0.09%	(0.97%)	(0.32%)	(0.72%)
BarCap US Govt/Credit A+ 1-5 Yr TR USD			0.16%	(0.30%)	(0.27%)	(0.32%)
IA SBBI US 30 Day TBill TR USD			0.42%	0.76%	1.27%	1.62%

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REDW Stanley

Financial Advisors LLC

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INTEGRITY COUNTS.

SAR Aggregate FY 2017 & 2018

School for Advanced Research

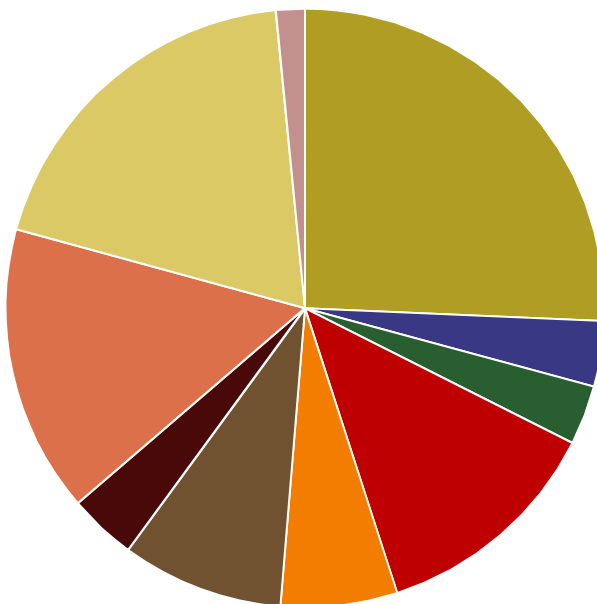
Prepared By: REDW Stanley Financial Advisors

June 30, 2018

Allocation by Category

School for Advanced Research Aggregate

Period Ending: 6/30/2018
Portfolio Inception Date: 9/11/2016



Weight	Description	Current Value
100.0%	Portfolio Total	\$26,275,793.41
25.7%	US Equities	\$6,747,682.65
3.5%	Large Cap	\$929,661.34
3.2%	Mid/Small Cap	\$843,795.16
12.6%	International Equities	\$3,306,382.92
6.3%	Emerging Markets	\$1,655,115.20
8.7%	Real Estate Investment Trust	\$2,297,948.85
3.7%	Alternative Investments	\$959,898.73
15.5%	Intermediate Term Bonds	\$4,084,552.34
19.2%	Short Term Bonds	\$5,041,025.55

Continued on Next Page

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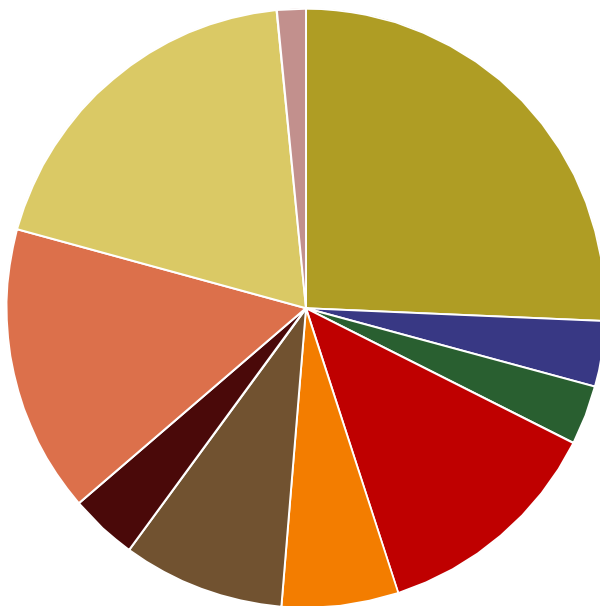
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Allocation by Category

School for Advanced Research Aggregate

Period Ending: 6/30/2018

Portfolio Inception Date: 9/11/2016



Weight	Description	Current Value
1.6%	Cash Equivalents	\$409,730.67

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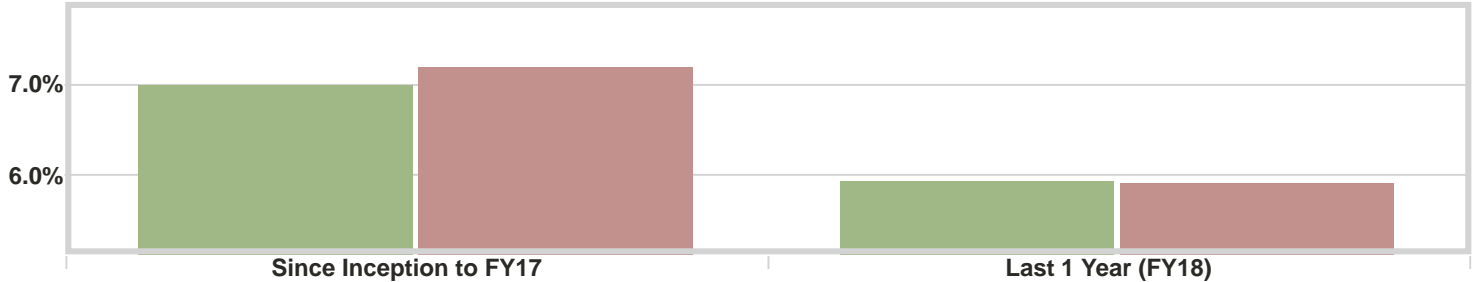
Performance Summary

TWR

Period Ending: 6/30/2018
Portfolio Inception Date: 9/11/2016

School for Advanced Research Aggregate

Portfolio Returns



		Since Inception to FY17	Last 1 Year (FY18)
Your Portfolio	■	7.0%	5.9%
SAR Combined Portfolios Benchmark	■	7.2%	5.9%

Components Of Change

	Since Inception to FY17	Last 1 Year (FY18)
BEGINNING VALUE	0.00	25,530,755.97
Net Contributions	23,828,814.37	(763,389.47)
Capital Appreciation	1,543,302.89	898,210.99
Income	343,117.65	515,122.66
Management Fees	(25,480.48)	(48,179.56)
Other Expenses	(158,998.46)	143,272.82
ENDING VALUE	25,530,755.97	26,275,793.41
INVESTMENT GAIN	1,701,941.60	1,508,426.91

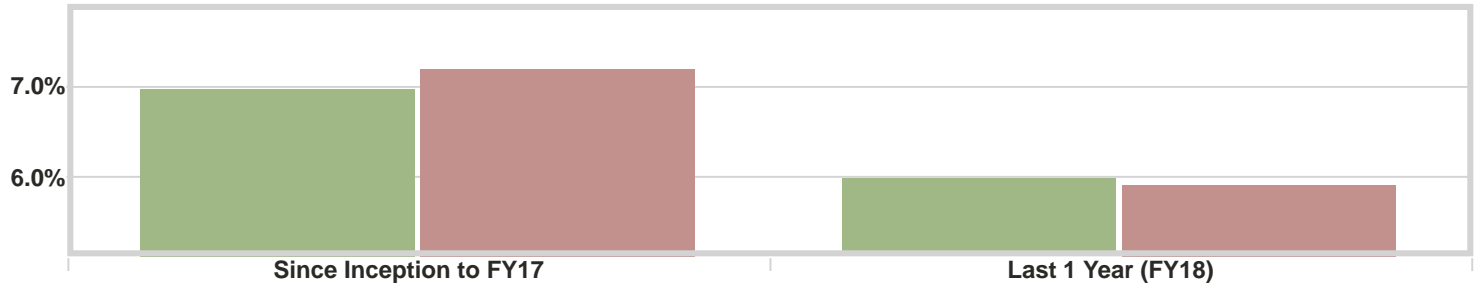
Performance Summary

IRR

Period Ending: 6/30/2018
Portfolio Inception Date: 9/11/2016

School for Advanced Research Aggregate

Portfolio Returns



		Since Inception to FY17	Last 1 Year (FY18)
Your Portfolio	■	7.0%	6.0%
SAR Combined Portfolios Benchmark	■	7.2%	5.9%

Components Of Change

	Since Inception to FY17	Last 1 Year (FY18)
BEGINNING VALUE	0.00	25,530,755.97
Net Contributions	23,828,814.37	(763,389.47)
Capital Appreciation	1,543,302.89	898,210.99
Income	343,117.65	515,122.66
Management Fees	(25,480.48)	(48,179.56)
Other Expenses	(158,998.46)	143,272.82
ENDING VALUE	25,530,755.97	26,275,793.41
INVESTMENT GAIN	1,701,941.60	1,508,426.91

Asset Class Performance Summary

Period Ending: 6/30/2018
Portfolio Inception Date: 9/11/2016

School for Advanced Research Aggregate

Asset Class Description	Inception Date	Current Value	Since Inception to FY17	Last 1 Year (FY18)
US Equities	10/20/2016	4,469,522	15.78% *	15.43%
Large Cap	9/11/2016	1,006,984	13.30%	10.15%
Mid/Small Cap	9/11/2016	824,791	16.01%	14.92%
International Equities	9/11/2016	2,761,365	11.77%	8.24%
Emerging Markets	9/11/2016	1,360,068	12.74%	5.37%
Real Estate Investment Trust	10/20/2016	1,612,664	3.41% *	2.33%
Alternative Investments	9/11/2016	2,982,507	10.86%	(3.78%)
Intermediate Term Bonds	9/15/2016	3,173,984	(0.05%)*	(1.39%)
Short Term Bonds	9/11/2016	4,270,059	0.08%	(0.31%)
Cash Equivalents	9/11/2016	3,068,812	(0.30%)	0.58%
Total Portfolio (Prior to Fees)	9/11/2016	26,275,793	7.75%	5.55%
Total Portfolio (Net of Fees)	9/11/2016	26,275,793	6.99%	5.94%
SAR Combined Portfolios Benchmark			7.20%	5.92%
Russell 3000 TR USD			13.63%	14.78%
Russell 1000 Value TR USD			11.50%	6.77%
Russell 2000 TR USD			15.07%	17.57%
MSCI EAFE USD			13.87%	6.84%
S&P/IFCI Composite TR USD			14.52%	8.80%
FTSE NAREIT Equity REITs TR			(1.38%)	3.36%
BarCap US Corporate High Yield TR USD			7.22%	2.62%
BBgBarc US Agg Intern TR USD			(0.36%)	(0.32%)
BarCap US Govt/Credit A+ 1-5 Yr TR USD			0.02%	(0.27%)
IA SBBI US 30 Day TBill TR USD			0.36%	1.27%

* Return from Asset Class Inception Date.

Your TWR returns are gross of fees unless otherwise stated. Returns for more than a year have been annualized.

**Asset Allocations for U.S. College and University Endowments and Affiliated Foundations,
Fiscal Year 2017***

Size of Endowment	Domestic Equities %	Fixed Income %	Non-U.S. Equities %	Alternative Strategies* %	Short-term Securities/ Cash/ Other %
Over \$1 Billion	13	7	19	57	4
\$501 Million to \$1 Billion	20	9	22	42	7
\$101 Million to \$500 Million	27	13	22	32	6
\$51 Million to \$100 Million	33	17	22	22	6
\$25 Million to \$50 Million	37	20	19	17	7
Under \$25 Million	42	24	16	11	7

Type of Institution					
All Public Institutions	19	10	21	46	4
<i>Public College, University, or System</i>	15	8	21	51	5
<i>Institution-Related Foundations</i>	24	12	21	38	5
<i>Combined Endowment/Foundation</i>	23	12	20	42	3
All Private Colleges and Universities	15	7	20	54	4

All Institutions

Dollar-weighted Average	16	8	20	52	4
Equal-weighted Average	30	15	21	28	6

*Average asset allocations as of June 30, 2017.

All data are dollar-weighted unless otherwise specified. Due to rounding, details may not sum to 100%.

Alternative strategies are categorized in the NCSE as follows: Private equity (LBOs, mezzanine, M&A funds, and international private equity); Marketable alternative strategies (hedge funds, absolute return, market neutral, long/short, 130/30, and event-driven and derivatives); Venture capital; Private equity real estate (non-campus); Energy and natural resources (oil, gas, timber, commodities and managed futures); and Distressed debt. On-campus real estate is included in the Short-term Securities/Cash/Other category.

Average Annual One-, Three-, Five-, and Ten-Year Returns* for U.S. Higher Education Endowments and Affiliated Foundations for Periods Ending June 30, 2017

Size of Endowment	1-year % N=808	3-year % N=756	5-year % N=736	10-year % N=630
Over \$1 Billion	12.9	5.0	8.6	5.0
\$501 Million to \$1 Billion	12.7	4.2	8.1	4.6
\$101 Million to \$500 Million	12.5	4.1	7.8	4.4
\$51 Million to \$100 Million	11.9	3.9	7.7	4.4
\$25 Million to \$50 Million	11.7	4.0	7.7	4.5
Under \$25 Million	11.6	4.7	8.1	5.0

Type of Institution				
All Public Institutions	12.2	4.3	8.0	4.5
<i>Public College, University, or System</i>	12.2	4.6	8.1	4.6
<i>Institution-Related Foundation</i>	12.2	4.2	8.0	4.5
<i>Combined Endowment/Foundation</i>	12.1	4.0	7.7	4.3
All Private Colleges and Universities	12.3	4.2	7.9	4.6

Average (All Institutions)	12.2	4.2	7.9	4.6
Median (All Institutions)	12.5	4.1	7.9	4.4

Quartiles—All Institutions

75 th Percentile	13.7	5.0	8.7	5.2
25 th Percentile	11.1	3.3	7.1	3.8

Relative Indices

S&P 500	17.9	9.6	14.6	7.2
Russell 3000	18.5	9.1	14.6	7.3
MSCI World ex U.S. (in U.S. \$)	19.5	0.7	8.2	1.0
Barclays U.S. Aggregate Bond	6.0	4.1	3.8	5.1
CPI-U	1.8	1.1	1.3	1.9
HEPI	3.7	2.6	2.6	2.7

*Net of fees.

Technical note:

Relative Indices are courtesy of Commonfund Institute. HEPI is the Higher Education Price Index, an inflation index designed specifically for higher education. More information about HEPI is available from <http://info.commonfund.org/commonfund-higher-education-price-index>

EMBARGOED FOR RELEASE: 12:01 A.M. ET, JANUARY 25, 2018

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**Educational Endowments Report Decline in 10-Year Return
Despite 12.2% Return for FY2017,
Up Significantly from -1.9% Reported for FY2016
*Large Institutions Lead Increase in Effective Spending Rate***

NEW YORK, NY, January 25, 2018—Data gathered from 809 U.S. colleges and universities for the *2017 NACUBO-Commonfund Study of Endowments® (NCSE)* show that participating institutions' endowments returned an average of 12.2 percent (net of fees) for the 2017 fiscal year (July 1, 2016 – June 30, 2017) compared with -1.9 percent for the 2016 fiscal year and 2.4 percent for fiscal 2015. Despite this year's improved return, the mission-critical 10-year average annual return fell to 4.6 percent from last year's 5.0 percent, as FY2007's strong 17.2 percent return dropped out of the trailing 10-year average.

Institutions participating in the Study reported increasing their average effective spending rate to 4.4 percent in FY2017 from 4.3 percent a year ago; the increase was led by institutions with endowment assets over \$1 billion, which raised their effective spending rate to 4.8 percent from last year's 4.4 percent. Among all institutions increasing their dollar spending, the median increase was 6.5 percent, well above the inflation rate.

“Continued substantial increases in endowment spending dollars, despite lower long-term investment returns, demonstrate the deep commitment colleges and universities have to student access and success,” said NACUBO President and Chief Executive Officer John D. Walda. “However, continued long-term growth of 5 percent or less, along with the coming changes to tax and charitable giving laws under the recently passed Tax Cuts and Jobs Act, will make it much more difficult for colleges and universities to increase endowment dollars to support their missions. Despite this year’s higher returns, we remain concerned about the continued long-term results for most endowments.”

Catherine M. Keating, President and Chief Executive Officer of Commonfund, underscored these comments by noting that “the goal of achieving real returns to cover spending has been a daunting task for higher education for more than a decade—and we don’t expect the challenge to get any easier. At the same time, with tuition discount rates at historic highs and inflation, as measured by the Commonfund Higher Education Price Index, at its highest level since 2008, the importance of endowments in the ecosystem of colleges and universities has never been greater. This year’s reported increased spending levels stand out as one example of that.”

The 809 institutions in this year’s Study represented \$566.8 billion in endowment assets. While the size of the median endowment was approximately \$127.8 million, 44 percent of Study participants had endowments that were \$100 million or less.

FY2017 Returns by Asset Class

Of the five primary investment categories tracked in the Study, only fixed income produced a return that was lower in FY2017 compared with FY2016. In this instance, the return declined to an average of 2.4 percent from the prior year’s 3.6 percent. Non-U.S. equities, which produced last year’s lowest return, an average of -7.8 percent, generated this year’s highest return, at 20.2 percent. U.S. equities followed, returning 17.6 percent, a substantial increase from last year’s -0.2 percent return. Alternative strategies turned in a 7.8 percent return versus -1.4 percent in FY2016, while short-term securities/cash/other returned 1.4 percent compared with last year’s 0.2 percent.

Examining reported FY2017 returns for the various alternative investment strategies, private equity (LBOs, mezzanine, M&A funds and non-U.S. private equity) provided the highest return, at 11.7 percent. Distressed debt and venture capital followed, generating returns of 8.9

percent and 8.4 percent, respectively. Three strategies produced returns in the 7 percent range: marketable alternative strategies (hedge funds, absolute return, market neutral, long/short, 130/30, event-driven and derivatives) returned 7.6 percent, while private equity real estate (non-campus) and energy and natural resources both returned 7.3 percent. Commodities and managed futures produced the only negative return for FY2017, at -2.5 percent. Each strategy produced a better return in FY2017 compared with the year-ago period.

Study data are broken down into six endowment size categories, ranging from institutions with total endowment assets under \$25 million to those with assets in excess of \$1 billion. Average FY2017 returns were positive for institutions in all six categories, reversing last year's results, when returns were negative for all six. From high to low this year, the spread of returns across the size cohorts was a tight 130 basis points (1.3 percentage points).

2017 NACUBO-COMMONFUND STUDY OF ENDOWMENTS

Average Return by Asset Class for Fiscal Year 2017

<i>numbers in percent (%)</i>	Total Institutions	Over \$1 Billion	\$501 Million-\$1 Billion	\$101-\$500 Million	\$51-\$100 Million	\$25-\$50 Million	Under \$25 Million
	809	97	82	275	157	113	85
Average FY2017 total return	12.2	12.9	12.7	12.5	11.9	11.7	11.6
U.S. equities	17.6	19.1	19.1	17.8	16.9	16.2	16.3
Fixed income	2.4	3.0	1.5	2.2	2.9	2.2	2.5
Non-U.S. equities	20.2	21.6	22.1	19.7	20.6	18.8	19.1
Alternative strategies	7.8	9.8	10.1	8.3	6.9	5.3	4.7
<i>Private equity (LBOs, mezzanine, M&A funds and non-U.S. private equity)</i>	11.7	15.0	13.4	10.9	8.7	12.8	♦
<i>Marketable alternative strategies (hedge funds, absolute return, market neutral, long/short, 130/30, event-driven and derivatives)</i>	7.6	8.8	8.8	7.9	5.8	6.6	5.5
<i>Venture capital</i>	8.4	10.0	8.3	8.4	3.5	♦	♦
<i>Private equity real estate (non-campus)</i>	7.3	8.8	10.0	6.2	7.2	5.3	♦
<i>Energy and natural resources</i>	7.3	10.1	9.7	5.9	4.3	8.2	♦
<i>Commodities and managed futures</i>	-2.5	-4.9	4.4	-2.3	-3.3	-7.6	♦
<i>Distressed debt</i>	8.9	10.3	11.9	8.1	8.5	5.9	N/A
Short-term securities/cash/other	1.4	1.8	1.1	1.7	1.1	1.1	1.3
Short-term securities/cash	0.3	0.4	0.5	0.3	0.1	0.3	0.2
Other	5.2	6.7	3.4	5.2	4.9	♦	♦

♦ sample size too small to analyze

The annual NCSE analyzes return data and a broad range of related information gathered from U.S. colleges and universities, both public and private, as well as their supporting foundations. The size and scope of the Study make it the most comprehensive annual report on the investment

management and governance practices and policies of institutions of higher education across the U.S.

Longer-Term Returns

While one-year returns are important, many endowment managers use 10-year average annual returns as a target for long-range planning purposes. For FY2017, trailing 10-year returns declined to an average of 4.6 percent from FY2016's 5.0 percent. The highest average 10-year return came from institutions in the largest and smallest size categories, at 5.0 percent each. That represented no year-over-year change for the smallest endowments, but an annualized 70-basis-point decline—from 5.7 percent—for the largest.

Trailing five-year returns showed a markedly different pattern, as they rose to an average of 7.9 percent this year versus 5.4 percent a year ago. Average returns for the period were helped when FY2012's -0.3 percent return dropped out of the calculation. Trailing five-year returns increased across all six size cohorts.

Weighed down by a return of 2.4 percent in FY2015 and -1.9 percent in FY2016, trailing three-year returns fell to an average of 4.2 percent this year from last year's average of 5.2 percent. Returns for the period were lower across all six size categories.

2017 NACUBO-COMMONFUND STUDY OF ENDOWMENTS

Average One-, Three-, Five- and 10-Year Net Returns for Fiscal Years 2016 and 2017

<i>numbers in percent (%)</i>	Total Institutions		Over \$1 Billion		\$501 Million-\$1 Billion		\$101-\$500 Million		\$51-\$100 Million		\$25-\$50 Million		Under \$25 Million	
	'16	'17	'16	'17	'16	'17	'16	'17	'16	'17	'16	'17	'16	'17
	805	809	91	97	75	82	264	275	163	157	121	113	91	85
Net annual total return	-1.9	12.2	-1.9	12.9	-2.2	12.7	-2.4	12.5	-1.8	11.9	-1.6	11.7	-1.0	11.6
3-year net annualized return	5.2	4.2	6.0	5.0	5.4	4.2	4.9	4.1	5.1	3.9	5.2	4.0	5.5	4.7
5-year net annualized return	5.4	7.9	6.1	8.6	5.7	8.1	5.1	7.8	5.0	7.7	5.3	7.7	5.8	8.1
10-year net annualized return	5.0	4.6	5.7	5.0	5.3	4.6	4.8	4.4	4.7	4.4	4.7	4.5	5.0	5.0

Asset Allocation

Asset allocation among participating endowments changed very little over the course of the fiscal year. Participating endowments reported the following asset allocation in FY2017:

Asset Allocations* for Fiscal Years 2016 and 2017

Asset Class	Fiscal Year	
	2017	2016
U.S. equities	16%	16%
Fixed income	8%	8%
Non-U.S. equities	20%	19%
Alternative strategies	52%	53%
Short-term securities/cash/other	4%	4%

*dollar-weighted

2017 NACUBO-COMMONFUND STUDY OF ENDOWMENTS

Detailed Asset Allocations* for Fiscal Year 2017

<i>numbers in percent (%)</i>	Total Institutions	Over \$1 Billion	\$501 Million-\$1 Billion	\$101-\$500 Million	\$51-\$100 Million	\$25-\$50 Million	Under \$25 Million
	809	97	82	275	157	113	85
U.S. equities	16	13	20	27	33	37	42
Fixed income	8	7	9	13	17	20	24
Non-U.S. equities	20	19	22	22	22	19	16
Alternative strategies	52	57	42	32	22	17	11
<i>Private equity (LBOs, mezzanine, M&A funds and non-U.S. private equity)</i>	11	12	7	5	3	2	1
<i>Marketable alternative strategies (hedge funds, absolute return, market neutral, long/short, 130/30, event-driven and derivatives)</i>	19	20	20	15	11	8	7
<i>Venture capital</i>	6	7	3	1	1	1	0
<i>Private equity real estate (non-campus)</i>	6	6	3	3	2	2	1
<i>Energy and natural resources</i>	6	7	4	3	2	1	1
<i>Commodities and managed futures</i>	1	1	1	1	1	1	0
<i>Distressed debt</i>	1	2	1	1	0	0	0
<i>Alternatives not broken out</i>	2	2	3	3	2	2	1
Short-term securities/cash/other	4	4	7	6	6	7	7
<i>Short-term securities/cash</i>	2	2	4	3	2	2	3
<i>Other</i>	1	1	3	3	4	4	3
<i>Short-term securities/cash not broken out</i>	1	1	0	0	0	1	1

*dollar-weighted

When asset allocation is viewed by size of institutions, larger endowments continue to significantly overweight alternative strategies, while smaller endowments have larger allocations to traditional asset classes, such as U.S. equities and fixed income. Among alternative strategies

allocations, the largest single allocation was to marketable alternatives, thus continuing a long-running finding of the Study.

Spending Rates

The FY2017 effective spending rate for the 809 participating institutions averaged 4.4 percent, up slightly from 4.3 percent last year and 4.2 percent the year before that. As was true last year, the highest effective spending rate, at 4.8 percent, was reported by institutions with assets over \$1 billion. This represented an increase from last year's 4.4 percent.

Sixty-five percent of participants reported increasing their endowment spending in dollar terms, the median increase being 6.5 percent. Seventy-one percent or more of institutions in the three largest size categories reported increasing endowment spending in dollars; 54 to 57 percent of endowments in the three smaller size classifications reported spending more in dollars.

Debt

Of the 809 Study participants, 584 said they held long-term debt. Among these 584 institutions, the average total debt stood at \$208.1 million as of June 30, 2017, compared with \$230.2 million a year earlier. The decline was driven by a sharp reduction in debt level at institutions with assets over \$1 billion.

NCSE Leaders

NCSE Leaders comprise the top decile and top quartile of the Study universe measured by investment return for FY2017. Compared with the Study universe return of 12.2 percent, the top decile reported an average return (net of fees) of 15.8 percent and the top quartile reported an average net return of 14.8 percent.

One major departure this year from Studies over many previous years was a shift in asset allocation among top decile performers. Specifically, top decile performers (largely reflecting higher allocations to the best performing asset classes, non-U.S. equities and U.S. equities) reported an allocation to alternative strategies averaging just 39 percent compared to 52 percent for the Study universe. Last year, the allocation to alternatives among the top decile was 62 percent.

About NACUBO

Founded in 1962, the National Association of College and University Business Officers (NACUBO) is a nonprofit professional organization representing chief administrative and financial officers at more than 1,900 colleges and universities across the country. NACUBO's mission is to advance the economic vitality, business practices, and support of higher education institutions in pursuit of their missions. For more information, visit www.nacubo.org.

About Commonfund

Commonfund was founded in 1971 as an independent asset management firm focused on not-for-profit institutions. Today, we are one of North America's leading investment firms, managing \$25 billion in assets for some 1,300 institutional clients, including educational endowments, foundations and philanthropic organizations, hospitals and healthcare organizations and pension plans. Our only business is investment management, and we are active in all sectors of the global capital markets, both public and private.

About Commonfund Institute

Commonfund Institute houses the education and research activities of Commonfund and provides the entire community of long-term investors with investment information and professional development programs. Commonfund Institute is dedicated to the advancement of investment knowledge and the promotion of best practices in financial management. In addition to teaming with NACUBO to produce the NCSE, Commonfund also produces the Council on Foundations-Commonfund Study of Investment of Endowments for Private and Community Foundations[®] (CCSF) and the Commonfund Benchmarks Study[®] series of research reports. Commonfund Institute also provides a wide variety of resources, including conferences, seminars and roundtables on topics such as endowments and treasury management; proprietary and third-party research and publications, including the Commonfund Higher Education Price Index[®] (HEPI); and events such as the annual Commonfund Forum and the Endowment Institute[®].

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Narrative on the FY2018 SAR financial statements

The following narrative points out significant changes as well as summary financial information for July 1, 2017 – June 30, 2018. We welcome your questions, suggestions or comments as we continue to refine this reporting process.

Operating results for the fiscal year (Budget Summary Report):

Following SAR's policy of year-ahead funding, receipts used to fund the FY18 budget are already in hand and are applied to expenses as they are incurred.

Overall, salaries are at 101% of those budgeted. Meredith Davidson, SAR's Director of Public Programs and Communications, started in April and we were just about able to cover her salary with vacancy savings elsewhere on campus. The Resident Scholar budget received unexpected cost sharing for the program's review panel. The Advanced Seminar program had savings in projected food costs and came in well under budget. Sarah Soliz continues to keep SAR Press moving forward. Her activities will help us build more accurate budgets in the future. Budgeted research in the Resident Scholar and President's budgets (Admin.) will be carried forward to FY19. The President's entertainment and travel budgets were underspent. The annual software maintenance for IARC was paid in Q4.

Repairs to the seminar house kitchen floor were funded through the capital projects budget. Funds need to be raised to fund more significant repairs at the seminar house.

The King residence experienced a water leak from the hot water heater that destroyed the wood flooring in the adjacent bedroom. The physical plant was able to supply the labor to make the repairs and most of the materials were paid for from insurance proceeds.

Summary Income Statement

This is a regular income statement, showing current year's income compared to the current year's expenses. Both income and expenses are further divided between program and endowment activity and between operations activity and investment activity. Total activity is compared to the prior year's total activity in the same period.

The report shows a \$375K surplus for FY2018 compared to a \$914K surplus for the same period in FY2017. This is due, in large part, to a \$944K drop in investment earnings. Contributions and memberships are up \$273K for the same period last year, and sales and services, net of cost of sales, are down \$63K.

We received \$250K from Luke and Betty Vortman to establish an endowment to fund the public programs at SAR. There is also a \$5K addition to the Crichton Endowment from Mrs. Flo Crichton.

Financial Position (Balance Sheet):

Investments are up \$558K. \$255K was added and \$1,127K was drawn to/from the endowment portion and \$312K was added to the invested cash portion.

The SAR Press book inventory cost has been reduced by \$37K, while keeping almost all the titles in print and at adequate quantities to satisfy UNM Press. The book inventory was moved, as expected, on July 1 from Albuquerque Longleaf in North Carolina. We are still waiting for final documents about our inventory from UNM Press. They have been slow to respond, probably because of their greatly reduced staff.

Gifts, Grants, Sales and Fees Report:

The Gifts, Grants, Sales and Fees report summarizes gifts by source and restriction. I've also listed pledge payments that were received and the receipt of the \$506K annual ARF grant payment. These revenues were recorded in FY2017.

FY18 book sales less cost of sales data for SAR Press / UNM Press, netting out the 32% commission owed to UNMP and royalties paid to our authors = \$47K. This compares to \$45K through FY17.

According to policy, 80% of the unexpected Overstreet bequest was moved to the cash reserves fund for a total of \$132K.

Investments:

SAR's investments returned 5.9%, net of fees, in FY2018. This matches SAR's combined portfolio benchmark of 5.8%

By the end of the fiscal year, SAR investments in alternative investments had been reduced from 29% of the total portfolio to 4% of the total. We received the final payment from Canyon Partners (\$42K). The remaining \$960K in alternatives are expected to be liquidated within the next 12 months. The proceeds have been reinvested according to the current investment asset allocation policy.

SCHOOL for ADVANCED RESEARCH
BUDGET REPORT
July 1, 2017 - June 30, 2018 (UNAUDITED)
100% of Year Complete

	FY18 budget	Additions to FY18 Budget	Actual through 6/30/2018	
Revenues				
Endowment draw	<u>\$1,126,776</u>		<u>\$1,126,776</u>	100%
Unrestricted funds raised/pledged in previous years				
Board giving	365,696		365,696	100%
Public Support	174,254		174,254	100%
Contributions for specific program operations	14,319		14,319	100%
Membership and Lecture Sponsors	153,437		153,437	100%
President's Circle net of costs	<u>122,137</u>		<u>122,137</u>	100%
	829,843		829,843	100%
Donor Restricted received or committed in previous years				
ARF Conservation grant for program expenses	158,935		65,673	41%
ARF Museum Professionals grant for program expenses	127,434		127,434	100%
ARF Intern grant for salaries, rent and overhead	111,661		111,661	100%
ARF Conservation grant for salaries and overhead	81,065		81,065	100%
ARF CEO directed fund	74,144		74,144	100%
ARF grant for Campus Safety expenses	17,500		6,842	39%
ARF grant for Campus Safety for salaries and overhead	9,500		9,500	100%
Mellon Fndt for program directs	99,690		55,453	56%
Mellon for salaries and rent	24,460		24,460	100%
NSF for Team Seminars	44,105		15,719	36%
NSF overhead	1,362		1,362	100%
Paloheimo Foundation for Annual Report	35,600		35,600	100%
Mary Mill for Advanced Seminar	30,000		30,000	100%
Camp for Presidential lecture	15,000		15,000	100%
Lannan Literary Arts	14,080		8,756	62%
Frost Foundation for program	10,200		1,559	15%
Frost for E Poon salary	4,800		4,800	100%
Dubin for Artist fellowship	6,250			0%
Library Book Purchase Fund	2,500		2,500	100%
Bunting Summer Salon series	1,200		1,200	100%
Feld Bosavi project		49,476	49,476	NA
Paloheimo Awareness grant		36,664	36,664	NA
Prior years ARF grants carried forward		21,877	21,877	NA
S Foote special projects		19,455	19,455	NA
Web redesign project		10,195	10,195	NA

SCHOOL for ADVANCED RESEARCH
BUDGET REPORT
July 1, 2017 - June 30, 2018 (UNAUDITED)
100% of Year Complete

	FY18 budget	Additions to FY18 Budget	Actual through 6/30/2018		
Capital Projects savings		6,041	6,041	NA	
Paloheimo Communications grant		5,724	5,724	NA	
NM Humanities Council		4,639	4,639	NA	
L Withey for board budget		2,100	2,100	NA	
Santa Fe Community Foundation		1,665	1,665	NA	
Linda Cordell prize		301	301	NA	
	<u>869,486</u>	<u>158,136</u>	<u>830,865</u>	81%	
Sales and Fees					
Gross Margin on Book Sales and Royalties	45,397		45,397	100%	
Class fees	10,120		10,120	100%	
Rent Income	34,259		34,259	100%	
Field Trip income, net of costs	(2,283)		(2,283)	100%	
IARC Tours and Sales, net of costs	18,746		18,746	100%	
	<u>106,239</u>		<u>106,239</u>	100%	
Prior year Surplus	95,000		95,000	100%	
Draw from Reserves	96,000		96,000	100%	
Total Revenues		<u>\$3,123,344</u>	<u>\$158,136</u>	<u>\$3,084,723</u>	94%
 Expenses					
	Program	Salaries	Program	Salaries	
Resident Scholar	\$ 132,930	\$ 85,049	\$ 98,005	\$ 85,311	74% 100%
Advanced Seminar	18,125	85,049	9,587	84,840	53% 100%
Jl Staley	22,245	25,171	21,065	25,083	95% 100%
SAR Press	5,760	23,932	9,675	31,406	168% 131%
IARC	28,250	371,277	24,767	399,233	88% 108%
Library	14,730	63,185	13,893	63,324	94% 100%
Admin	28,150	165,556	16,041	149,755	57% 90%
Business Admin	151,377	244,213	172,724	256,076	114% 105%
Development	117,469	392,885	112,099	400,231	95% 102%
IT	21,082	98,125	12,592	97,821	60% 100%
Guest Svc	11,158	135,325	7,910	130,795	71% 97%
Phys Plant	88,799	163,545	75,663	156,601	85% 96%
Capital Proj	15,000		1,782		12% NA
	<u>655,075</u>	<u>1,853,312</u>	<u>575,801</u>	<u>1,880,475</u>	88% 101%

SCHOOL for ADVANCED RESEARCH
BUDGET REPORT
July 1, 2017 - June 30, 2018 (UNAUDITED)
100% of Year Complete

	FY18 budget		Additions to FY18 Budget		Actual through 6/30/2018		
Restricted Projects (direct costs)							
ARF Museum Professionalism project	127,434				127,434		100%
ARF IARC Conservation	158,935				65,673		41%
Mellon Fellowship	99,690				55,453		56%
ARF CEO directed fund	74,144				67,114		91%
ARF Campus Safety	17,500				6,842		39%
Howell property tax	15,729				16,559		105%
IARC fellows	33,650				32,674		97%
NSF Team Seminars	44,105				15,719		36%
Presidential lecture	15,000				15,000		100%
Lannan Foundation program	14,080				8,756		62%
Frost Foundation	10,390				1,559		15%
Bunting Summer Salon	1,000				894		89%
Board budget	3,300		2,100		5,787		107%
Feld Bosavi project			49,476		49,476		NA
Paloheimo Awareness grant			36,664		36,664		NA
Prior years ARF grants carried forward			21,877		21,877		NA
S Foote special projects			19,455		19,455		NA
Web redesign project			10,195		10,195		NA
Schwartz apartment furnishings			6,041		6,041		NA
Paloheimo Communications grant			5,724		5,724		NA
NM Humanities Council			4,639		4,639		NA
Santa Fe Community Foundation			1,665		1,665		NA
Linda Cordell prize			301		301		NA
	614,957	0	158,136		575,500		
Total	1,270,032	1,853,312	158,136		1,151,301	1,880,475	
Grand Total Expenses		<u>\$ 3,123,344</u>	<u>\$ 158,136</u>		<u>\$ 3,031,776</u>		92%
Surplus/(Deficit)		0	0		\$ 52,947		
"Off budget items"							
Vendor required upgrade to payroll software		\$ 12,814					
Fred Dust lecture funded by Susan Foote		\$ 19,455					

SCHOOL for ADVANCED RESEARCH
BALANCE SHEET
(UNAUDITED)

	6/30/2017	6/30/2018		6/30/2017	6/30/2018
ASSETS			LIABILITIES & FUND BALANCES		
Cash:			Liabilities:		
Checking FNBSF	\$ 193,799	\$ 240,488	Accounts Payable	\$ 46,624	\$ 32,534
Payroll FNBSF	9,366	7,047	Accrued Payroll & Benefits	176,113	190,994
Money Market FNBSF	202,379	426,932	Deferred Revenue		95,050
Petty Cash	900	1,080			
Total Cash	406,443	675,546	Total Liabilities	222,737	318,578
Investments: (@ market)					
Charles Schwab:					
Endowment	23,618,572	23,944,777			
Invested Cash	2,086,122	1,999,722			
ARF funds in \$ Mkt	11,800	330,000			
Total Investments	25,716,494	26,274,499			
Other Assets:					
Accounts Receivable	83,479	62,976	Net Assets:		
Grants Receivable	506,095	284,625	Unrestricted	\$ 17,215,427	\$ 17,314,076
Pledges Receivable	253,997	284,187	Temporarily Restricted	2,034,159	2,052,536
Book Inventory	258,079	221,351	Permanently Restricted	11,017,157	11,272,157
Prepaid Expenses	66,801	94,622			
Plant & Equipment	3,198,092	3,059,540			
Total Other Assets	4,366,543	4,007,301	Total Net Assets	30,266,743	30,638,768
TOTAL ASSETS	\$ 30,489,480	\$ 30,957,346	TOTAL LIABILITIES		
			& FUND BALANCES	\$ 30,489,480	\$ 30,957,346

School for Advanced Research

Summary Income Statement

	Program 7/1/2017- 6/30/2018	Endowment/Investments 7/1/2017- 6/30/2018	Total 7/1/2017- 6/30/2018	Total 7/1/2016- 6/30/2017
Operations Activity				
Operations Revenues				
Contributions, Pledges and Grant	\$1,623,920	\$255,000	\$1,878,920	\$1,629,707
Membership Dues Income	252,681	-	252,681	228,928
Sales and Services	307,778	-	307,778	371,215
Total Operations Revenues	<u>2,184,379</u>	<u>255,000</u>	<u>2,439,379</u>	<u>2,229,850</u>
Operations Expenses				
Cost of Sales and Service	143,416	-	143,416	250,970
Salaries, Taxes and Benefits	1,930,783	-	1,930,783	1,870,720
Program Expenses	455,379	-	455,379	533,350
General and Management Expenses	640,153	-	640,153	631,754
Institutional Advancement	245,977	-	245,977	251,768
Total Expenses	<u>3,415,709</u>	<u>-</u>	<u>3,415,709</u>	<u>3,538,560</u>
Transfers	<u>1,126,776</u>	<u>(1,126,776)</u>	<u>-</u>	<u>(0)</u>
Surplus/(Deficit) from Operations	<u>(104,554)</u>	<u>(871,776)</u>	<u>(976,330)</u>	<u>(1,308,710)</u>
Investment Activity				
Investment Revenues				
Interest and Dividend Income	82,552	580,886	663,438	520,944
Net Realized Investment Gain	351,889	2,575,346	2,927,234	1,680,004
Net Unrealized Investment Gain	(264,250)	(1,931,675)	(2,195,925)	137,754
Investment Revenues	<u>170,191</u>	<u>1,224,557</u>	<u>1,394,748</u>	<u>2,338,702</u>
Investment Management Expenses	4,099	42,294	46,393	116,073
Surplus/(Deficit) from Investment Activity	<u>166,091</u>	<u>1,182,263</u>	<u>1,348,355</u>	<u>2,222,629</u>
NET SURPLUS/(DEFICIT)	<u>\$61,538</u>	<u>\$310,487</u>	<u>\$372,025</u>	<u>\$913,919</u>

**SCHOOL for ADVANCED RESEARCH
GIFTS, GRANTS, SALES & FEES REPORT
July 1, 2017 - June 30, 2018 (UNAUDITED)**

	Unrestricted	Restricted	Total
Pledge payments received	\$ 133,150	\$ 6,250	\$ 139,400
Grants receivable received		506,095	506,095
<hr/>			
New gifts received/committed			
General Operating (for FY19)	603,945		603,945
Memberships/Other Donations	230,676		230,676
President's Circle (net of costs)	120,356		120,356
80% of Overstreet bequest to cash reserves	131,712		131,712
Board budget	2,100		2,100
Gain on sale of car	1,450		1,450
IARC Operations	600		600
Admin Operations	250		250
ARF for FY19 IARC programs		506,000	506,000
Vortman Endowment		250,000	250,000
Paloheimo Foundation		110,798	110,798
Bosavi Digital Archive Project		59,500	59,500
National Science Foundation		40,875	40,875
M. Mill for Seminar program		30,000	30,000
Susan Foote		20,000	20,000
J. Camp for FY19 President's lecture		15,000	15,000
Frost Foundation		15,000	15,000
Lannan Program		14,200	14,200
New Mexico Humanities Council		8,555	8,555
E. J. Bunting Fund		5,000	5,000
Flora C. Crichton Endowment		5,000	5,000
IARC Collections		2,500	2,500
	-		-
	<u>1,091,089</u>	<u>1,082,428</u>	<u>2,173,517</u>

**SCHOOL for ADVANCED RESEARCH
GIFTS, GRANTS, SALES & FEES REPORT
July 1, 2017 - June 30, 2018 (UNAUDITED)**

	Unrestricted	Restricted	Total
Sales and Fees			
SAR Press	147,456		
less cost of sales	(53,726)		
less UNMP commission	(37,997)		
less author royalties	<u>(7,966)</u>		
	47,767		47,767
SAR in Depth Classes	15,050		
less direct cost	<u>(1,250)</u>		
	13,800		13,800
Field Trips	48,480		
less cost of field trip	<u>(51,693)</u>		
	(3,213)		(3,213)
Fundraising Events	113,618		
less cost of events	<u>(53,531)</u>		
	60,087		60,087
Gain on President's lecture	17,046		17,046
Tours and Lecture Receipts	23,744		23,744
Rentals (net of cost of scholar housing)	42,484		42,484
Fiscal Sponsorship Fee	<u>5,139</u>		<u>5,139</u>
Grand Total (exclusive of pledge payments)	\$ 1,297,943	\$ 1,082,428	\$ 2,380,371

High Points of the SAR's Proposed FY2019 Budget

- Draw from the Endowment, based on 4.9% of five-year average balance is slightly lower than FY18.
- Unrestricted contributions, net of direct costs, are \$68K higher than those raised for FY18.
- Restricted contributions are approximately the same as for FY18. It is interesting to note that the portion of the restricted revenue that helps pay for the core expenses is 46%, up from 32% in the FY18 budget.
- Earned revenue, net of direct costs is \$41K higher than for FY18.
- Based on the Board's directive at the August 2017 meeting, we will draw \$100K from the cash reserves to fund the establishment of the Creative Thought Forum and the related Public Programs and Communications division.
- As is shown on the Summary Income Statement, SAR earns interest and dividend income on the pooled cash on hand. We will use \$56K (about one third) of the earnings to balance the budget.

- Salaries represent 63% of total expenses, a \$203K increase over FY18.
- Other than those who were recently hired, all staff will receive a 2% cost of living increase. (Total cost is \$31K.)
- New hires, the Director of Public Programs and Communications and the IARC Educational Assistant represent the balance of the salary increase.
- The direct cost of restricted projects is down by \$103K due in large part to the reduced funding from Anne Ray Foundation.
- There is also \$10K budgeted for recruitment for a new Vice President for Finance and Administration.

- At the request of the board we have listed anticipated costs that will offset income raised in FY19. We have also included the possible purchase of a "bobcat" for the physical plant.

School for Advanced Research

	FY19 PROPOSED budget	FY18 adjusted	increase (decrease)
Sources of Funding			
Endowment draw @ 4.9%	<u>1,125,565</u>	<u>1,126,776</u>	<u>(1,211)</u>
Unrestricted funds raised/pledged in previous years			
Board giving	367,445	365,696	1,749
Public Support	204,376	188,573	15,803
Memberships and Lecture Sponsors and Tickets	145,584	153,437	(7,853)
Fundraising Events	113,618		-
less cost of events	<u>(53,531)</u> 60,087		60,087
President's Circle/Founders Society	129,629	128,241	-
less FY18 PC and FS costs	<u>(9,273)</u> 120,356	<u>(6,104)</u> 122,137	<u>(1,781)</u>
	897,849	829,843	68,006
Donor Restricted			
ARCT Intern grant for program expenses	116,184	127,434	(11,250)
ARCT Intern grant for salaries, rent and overhead	143,816	111,661	32,155
ARCT Conservation grant for program expenses	114,080	158,935	(44,855)
ARCT Conservation grant for salaries and overhead	131,920	81,065	50,855
ARCT Campus Safety grant for program		17,500	(17,500)
ARCT Campus Safety grant for salaries and indirect		9,500	(9,500)
ARCT CEO directed fund		74,144	(74,144)
Bunting Summer Salon series (in PP&C budget)	5,000	1,200	3,800
Camp for FY19 Presidential Lecture	15,000	15,000	-
Dubin for Artist fellowship	6,250	6,250	-
Frost Fndt for E Poon salary		4,800	(4,800)
Frost Foundation (FY19 for Educational Asst salary)	15,000	10,200	4,800
Lannan Literary Arts	14,200	14,080	120
Library Book Purchase Fund	2,500	2,500	-
M Mill for Seminar program	30,000	30,000	-
Mellon Fndt for program directs	125,143	99,690	25,453
Mellon for salaries and rent	24,460	24,460	-
NSF for Team Seminars overhead and salaries	14,335	1,362	12,973
NSF for Team Seminars program	31,951	44,105	(12,154)
Paloheimo Foundation for Annual Report	35,600	35,600	-
	(in PP&C budget)		

School for Advanced Research

	FY19 PROPOSED budget		FY18 adjusted		increase (decrease)	
Paloheimo Foundation for Communications		42,326			42,326	
		<u>867,765</u>		<u>869,486</u>	<u>(1,721)</u>	
Sales and Fees						
Net Book Sales and Royalties	147,456		150,572		-	
-cost of Book Sales	(99,689)	47,767	(105,176)	45,397	2,370	
Class Fees	15,050		11,120		-	
-cost of Classes	(1,250)	13,800	(1,000)	10,120	3,680	
President's Lecture gain		17,046			17,046	
Rent Income		42,484		34,259	8,225	
Field Trip income	48,480		130,760		-	
-cost of Field Trips	(51,693)	(3,213)	(133,043)	(2,283)	(930)	
IARC and Campus Tours		23,744		18,746	4,998	
Fiscal Sponsorship fee		5,139			5,139	
		<u>146,766</u>		<u>106,239</u>	<u>40,528</u>	
Prior year Surplus (estimate)		52,947		95,000	(42,053)	
Draw from Reserves to create Creative Thought Forum (Public Programs)		100,000			100,000	
Draw from Reserves due to lower 3 year endow average				41,000	(41,000)	
Draw from reserves due to fundraising shortfall				55,000	(55,000)	
Draw from Pooled Cash Earnings (TO BALANCE)		55,689			55,689	
		<u>3,246,581</u>		<u>3,123,344</u>	<u>123,237</u>	
Restricted						
Expenses						
	Program	Salaries	Program	Salaries	Program	Salaries
Resident Scholar	133,990	84,759	132,930	85,049	1,060	(290)
Advanced Seminar	18,125	77,057	18,125	85,049	-	(7,992)
Jl Staley	22,245	25,930	22,245	25,171	-	759
SAR Press	5,760	24,548	5,760	23,932	-	616
IARC	32,260	467,441	28,250	371,277	4,010	96,164
Library	14,730	64,791	14,730	63,185	-	1,606
Public Program & Communication	66,010	149,745			66,010	149,745
Administration	24,770	149,273	28,150	165,556	(3,380)	(16,283)
Business Administration	166,939	294,143	151,377	244,213	15,562	49,930

School for Advanced Research

	FY19 PROPOSED budget		FY18 adjusted		increase (decrease)	
Development	50,104	309,499	117,469	392,885	(67,365)	(83,386)
IT	12,984	100,600	21,082	98,125	(8,098)	2,475
Guest Services	12,633	141,695	11,158	135,325	1,475	6,370
Physical Plant	91,199	166,928	88,799	163,545	2,400	3,383
Capital Proj	15,000		15,000		-	-
	<u>666,749</u>	<u>2,056,408</u>	<u>655,075</u>	<u>1,853,312</u>	<u>11,674</u>	<u>203,096</u>
Restricted Projects						
ARCT IARC Conservation project directs	114,080		158,935		(44,855)	
ARCT Museum Professionalism project directs	116,184		127,434		(11,250)	
ARF CEO directed fund (direct costs)			74,144		(74,144)	
ARF for Campus Safety			17,500		(17,500)	
Mellon fellow and seminar (direct costs)	125,143		99,690		25,453	
NSF Team Seminars (direct costs)	31,951		44,105		(12,154)	
IARC fellows (direct costs)	33,650		33,650		-	
Presidential Lecture	15,000		15,000		-	
Lannan Foundation program expenses	14,200		14,080		120	
Frost Fndt (direct costs) (included in IARC salaries FY19)			10,390		(10,390)	
Board budget	4,000		3,300		700	
Bunting Summer Salon series (included in PP&C FY19)			1,000		(1,000)	
Paloheimo Foundation for Communications (FY18 grant)	42,326				42,326	
	<u>496,534</u>		<u>599,228</u>		<u>(102,694)</u>	
Special Unfunded Projects						
VPFA recruitment	10,000				10,000	
Howell property tax	16,890		15,729		1,161	-
	<u>1,190,173</u>	<u>2,056,408</u>	<u>1,270,032</u>	<u>1,853,312</u>	<u>(79,859)</u>	<u>203,096</u>
Total						
Grand Total Expenses		<u>3,246,581</u>		<u>3,123,344</u>		<u>123,237</u>
Surplus/(Deficit)		(0)		(0)		

"Off Budget" items

PC/FS expenses to be paid in FY19	7,350.00
cost of Classes to be paid in FY19	5,800.00
purchase of Physical plant bobcat	15,000.00